



# SOUTHEAST IDAHO

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA, & POWER COUNTIES

## EMPLOYMENT TRENDS

Business closures and downsizing continued to erode employment in the Pocatello Metropolitan Statistical Area. Table 1 shows that in April, employment fell by 100 from March and the area's seasonally adjusted unemployment rate crept up two-tenths of a percentage point to 6.2 percent. The number of unemployed individuals increased by 80, month-over-month, to 2,530, the highest number of unemployed since January 2002 when unemployment peaked at 2,370 individuals.

Table 2: County Unemployment Rates, compares current county unemployment rates with the previous month and last year. Unemployment rates are comparable in April 2002 to March 2002. But rates in some counties increased significantly between April 2001 and April 2002. Caribou and Power Counties experienced the largest rate increase year-over-year because of job reductions in the phosphate manufacturing industry.

Table 2: County Unemployment Rates

	April 2002	March 2002	April 2001
<b>Bear Lake</b>	4.7	4.6	4.2
<b>Bingham</b>	4.4	4.5	4.4
<b>Caribou</b>	6.4	6.4	5.5
<b>Franklin</b>	4.5	4.3	3.8
<b>Oneida</b>	3.6	3.3	3.5
<b>Power</b>	8.3	8.9	7.0

Caribou County increased by nearly 1.0 percentage point and Power County increased by 1.3 percentage points. As bad as it seems, it does not even compare with the recession of the 1980's when average annual unemployment peaked at over 3,300 individuals. Chart 1: County Unemployment Rates shows unemployment over the last 20 years by county. Unemployment rates in all counties peaked in 1986 when they ranged between 5.9 percent and 19.4 percent. It was not uncommon to see double-digit unemployment rates in the late 1980's.

Between April 2001 and April 2002, the number of individuals employed fell

Southeast Idaho Table 1: Labor Force & Employment  
Pocatello City MSA (Bannock County)

	April 2002*	March 2002	April 2001	% Change From Last Month	% Change From Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	40,960	40,980	40,640	0.0	0.8
Unemployment	2,530	2,450	1,750	3.2	31.8
% of Labor Force Unemployed	6.2	6.0	4.3		
Total Employment	38,430	38,530	38,890	-0.3	-1.2
<b>Unadjusted</b>					
Civilian Labor Force	41,240	41,600	40,910	-0.9	0.8
Unemployment	2,510	2,650	1,730	-5.6	29.4
% of Labor Force Unemployed	6.1	6.4	4.2		
Total Employment	38,730	38,950	39,180	-0.6	-1.2
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	33,080	32,960	33,620	0.4	-1.6
<b>Goods-Producing Industries</b>	4,340	4,250	4,680	2.1	-8.0
Mining & Construction	1,750	1,680	1,730	4.0	1.2
Manufacturing	2,590	2,570	2,950	0.8	-14.0
<b>Service-Producing Industries</b>	28,740	28,710	28,940	0.1	-0.7
Transportation, Comm., & Utilities	1,750	1,740	1,770	0.6	-1.1
Wholesale Trade	1,400	1,390	1,440	0.7	-2.9
Retail Trade	6,690	6,680	6,920	0.1	-3.4
Finance, Insurance, & Real Estate	1,720	1,740	1,660	-1.2	3.4
Services	8,080	8,020	8,180	0.7	-1.2
Government Administration	3,430	3,390	3,370	1.2	1.8
Government Education	5,670	5,750	5,600	-1.4	1.2

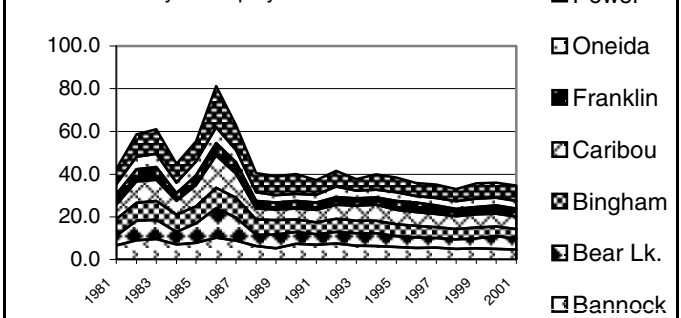
\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

by 460, and the seasonally adjusted unemployment rate increased 1.9 percentage points. The number of unemployed individuals increased by 780 year-over-year, driving a low unemployment rate of 4.3 percent in April 2001 to the current rate of 6.2 percent. The area's unemployment rate was nine-tenths of a percentage point higher than the state rate of 5.3 percent and two-tenths of a percentage point higher than the U.S. rate of 6.0 percent.

Nonfarm Payroll Jobs increased by 120 in April 2002 from March, driven by Construction (60) and Services (60). Government Administration added 40 jobs over the month, which is a typical seasonal increase as road maintenance and parks and recreation activity gets underway. From April 2001 to April 2002, Nonfarm Payroll Jobs declined by 540. Job losses occurred in Manufacturing, Retail Trade, and Services. Job losses were because of slowed economic activity related to the national

Chart 1: County Unemployment Rates

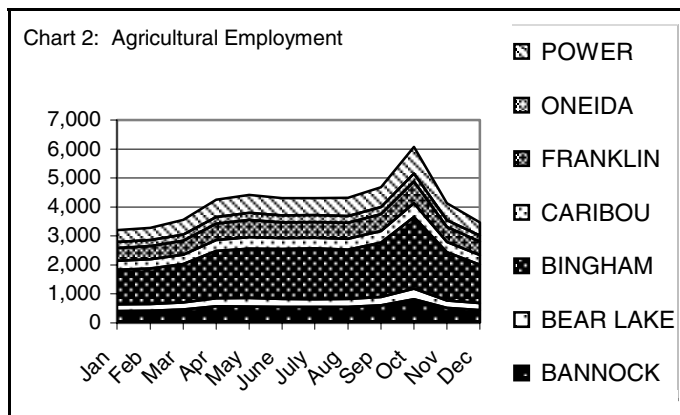


recession. Recent hiring in *Manufacturing* has signaled a rebound of that industry in the area but *Retail Trade* and *Services* will likely rebound much more slowly because of water shortages which will hurt recreation and tourism throughout the area.

## SPECIAL TOPIC

### Area Agriculture

Agriculture is one of Southeast Idaho's largest industries. Primary crops grown in Southeast Idaho are potatoes, grain, hay, and sugarbeets. Southeast Idaho also has a large dairy industry. From approximately April through November, area farmers and ranchers spark local economies by adding jobs, using the services of agriculture-related businesses, and purchasing equipment and supplies from area businesses. In 2001, agriculture added more than 500 jobs during the growing season and contributed an estimated \$3 million in wages. The number of agriculture jobs exceeded the annual average in every county between April and October. *Chart 2: Agricultural Employment*, shows that in 2001 the number of agriculture jobs rose in April, maintained that level through August, then began rising again in September to its peak in October.



This year, several area farmers endured damage of their crops because of frost, wind, and drought. Most of the area's sugarbeets and some of the area's wheat had to be replanted. After three years of drought, high winds further depleted soil moisture creating a greater need of an already short water supply. Area crop growers will be more challenged by weather and water conditions than since the early 1970's drought. A reduced Simplot potato contract, and the announcement that the Simplot potato processing facility in Heyburn will close, will further impact growers, especially in Power, Bingham, and Caribou Counties. But crop-growers in Southeast Idaho have proven their ability to adjust and survive and agriculture will continue to contribute to a positive Southeast Idaho economy.

## AREA ECONOMIC DEVELOPMENTS

Please note: Information contained in *Economic Developments* is obtained from area newspapers, local Job Service offices, trade publications, local area Chambers of Commerce publications, and other sources.

### Bannock County

- Forbes Magazine, a leading source of business information, ranked Pocatello eighth out of 96 small cities in its attractiveness to business and industry. The study was conducted by the Milken Institute and ranks cities based on favorable business climate, which includes advances in high tech, workforce, education, and cost of living.
- Teton Financial opened at 460 East Oak Street in Pocatello. The business offers personal loans and specializes in helping customers who have difficulty qualifying for other financing.
- Sonic Drive-In has begun construction of their new facility at the Fred Meyer Complex in Pocatello. Completion and opening is expected by mid to late July. The new Sonic will employ between 30 and 60 people.
- Construction has begun on the L.E. and Thelma Stevens Performing Arts Center at Idaho State University. The \$20 million structure should be completed by fall 2004.
- Restorante D'Frangiaro, a fine-dining Italian restaurant in Old Town Pocatello, closed. The restaurant, which opened in June 2001, enjoyed brisk business for the first few months. Then, business steadily fell until the business could no longer continue.

### Bingham County

- Papa Kelsey's Pizza and Subs franchise opened in May at 590 Jensen Grove in Blackfoot. The business, which employs 15 workers, offers pizzas, subs, soups, and salads.
- A new coffee and sandwich shop, The Jumping Bean, opened at West Bridge and Broadway in Blackfoot.

### Caribou County

- Agrium Conda of Soda Springs announced plans to reduce its 325-member workforce by 40 workers. The layoffs will likely begin this summer with completion by January 2003.

### Franklin County

- Exterior construction is nearly finished on the new fire/ambulance station in Preston. Bids soon will be accepted for the interior finish work. The station, located at 43 West 100 South, should be complete in August 2001.

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